

REMARKS

Claims 21, 22, 58, 60, 68-72, 74-77, and 80 are pending, with claims 21, 58, 60 and 68 being independent. Applicants respectfully request reconsideration of the application in view of the following remarks.

103 (a) Rejection

Claims 21, 22, 68-72, 74 and 75 stand rejected under 35 U.S.C. 103(a) as being unpatentable over U.S. Patent No. 6,473,740 to Cockrill *et al.* ("Cockrill"). Claims 58, 60, 76, 77 and 80 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Cockrill in view of the article "Ambalink Launches secure Online shopping in the UK."

Claim 21, and similarly claims 60 and 68, recites in part:

obtaining a first pre-authorization from the consumer billing authority that permits charging a predetermined amount to the consumer billing account; and

obtaining a second pre-authorization from the consumer billing authority within a predetermined period of time from said step of obtaining the first pre-authorization;

wherein said first pre-authorization expires at the end of said predetermined period of time.

Cockrill does not disclose or suggest these features. More specifically, Applicants respectfully submit that Cockrill does not disclose or suggest obtaining a first pre-authorization and then obtaining a second pre-authorization within a time period for the expiration of the first pre-authorization. A first pre-authorization expires after a predetermined period of time. The invention, as set forth in independent claims 21, 60 and 68, obtains a second pre-authorization within that predetermined time period so that when the first pre-authorization expires, the second pre-authorization is valid. As noted previously, Cockrill is concerned only with determining whether the total amount of the records exceeds a threshold value, based on transaction costs, and if so, generating a payment request. [see Cockrill, col. 13, lines 50-55] In Cockrill, once the threshold is exceeded a billing request is initiated. In contrast, independent claims 21, 60 and 68 are directed to obtaining a first pre-authorization that permits charging a

predetermined amount, and then obtaining a second pre-authorization. The system disclosed in Cockrill is clearly different from the requirements of claims 21, 60 and 68.

The Office Action states that the:

Function of obtaining a second pre-authorization from the customer billing authority within a predetermined period of time from the function of obtaining the first pre-authorization wherein the first pre-authorization expires at the end of the predetermined period of time is merely an agreement between the customer, the biller and the merchant. As such, any agreement among the different entities would have been possible as long as all the involved entities agree to act on certain agreement.

However, this is clearly incorrect and ignores the actual claimed inventions. The customer is not privy to any such agreement. Moreover, the methods of claims 21, 60 and 68 are not based on any special agreement, but rather are directed to solving a specific problem associated with making small purchases over a period of time. Many consumer billing authorities allow a pre-authorization for only a limited amount of time. Small purchases made by a consumer may not total to a sufficient amount within the time period set by the consumer billing authority. The present invention of claims 21, 60 and 68 obtains a second pre-authorization to avoid having to charge the consumer billing authority for aggregate purchases of small monetary amounts. Thus, the present invention of claims 21, 60 and 69 uses existing billing structures to solve the problem of small purchases, thereby avoiding the need to have a special arrangement between the aggregator and the consumer billing authority. These limitations are not “merely a non-functional descriptive material” but rather are affirmative steps in the claim that differentiate it from the system and functions described in Cockrill. Therefore, the reasoning in the Office Action is erroneous as the invention of claims 21, 60 and 69 avoids the very issue that the Office Action relies upon for modifying the teachings of Cockrill. The motivation provided in the Office Action would not result in the invention of claims 21, 60 and 68, because the problem addressed by the invention of these claims would still exist.

Since Cockrill does not disclose or suggest all the claimed limitations, the 35 U.S.C. 103(a) rejection of independent claims 21, 60 and 68, and claims depending therefrom, should now be withdrawn. Moreover, claims 22, 68-72, 74, and 75, which are dependant from one of independent claims 21, 60 and 68, are patentable for the same reasons.

Claims 58-61 over Cockrill in view of Ambalink

Independent claim 58 recites, in part:

- (6) comparing the transaction amount to a predetermined pass-through amount;
- (7) charging the transaction amount directly to a consumer billing account for each transaction for which the transaction amount equals or exceeds the predetermined pass-through amount;
- (8) aggregating each transaction for which the transaction amount does not equal or exceed the predetermined pass-through amount as part of the multiplicity of transactions;

Applicants submit that neither Cockrill nor Ambalink, singly or in combination, disclose or suggest these claimed steps. Specifically, there is no disclosure either in Cockrill or Ambalink of comparing the amount of the transaction to a predetermined transaction amount and then either passing the transaction through to the consumer billing account for payment when the transaction equals or exceeds a predetermined amount, or aggregating the transaction if it does not meet or exceed the predetermined amount. Cockrill is only concerned with payment of the aggregated amounts, and does not describe this claimed pass-through steps. Moreover, Ambalink fails to remedy this deficiency in Cockrill.

The Office Action alleges that it would have been obvious to modify Cockrill to incorporate the pass through concept. However, claim 58 describes either passing the actual transaction through, or aggregating it. Cockrill describes billing transactions together. There is nothing in Cockrill that suggests that some transactions would be treated differently, *e.g.*, not aggregated, nor is there anything in Ambalink that remedies this deficiency. There is nothing in Cockrill or the prior art taken as whole that evidences that one of ordinary skill in the art would make this alleged modification.. Rather, the Office Action uses impermissible hind-sight to recreate the invention of claim 58

Because neither applied reference teaches or suggests the claimed invention, there is no proper combination of the applied art that can render unpatentable the invention recited in at least independent claim 58 and the claims which depend therefrom. The 35 U.S.C. 103(a)

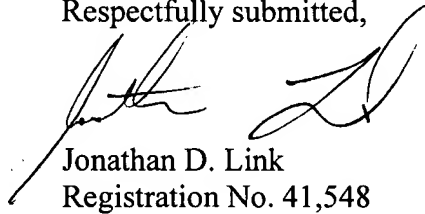
rejection of claim 58 should therefore be withdrawn. Moreover, claims 76, 77 and 80, which are dependant from independent claim 58, are patentable for the same reasons.

Claim 60 has been addressed above in connection with claims 21 and 68. The disclosure of Ambalink also fails to disclose every step of this claim, and in particular fails to disclose obtaining both a first pre-authorization and a second pre-authorization within the time period of the expiration of the first pre-authorization. There is nothing in Ambalink that addresses or suggests addressing the problems discussed above. Thus, Ambalink fails to remedy the deficiencies of Cockrill noted above. For the reasons set forth above, Applicants submit that 35 U.S.C. 103(a) rejection of claims 60 should now be withdrawn.

CONCLUSION

In view of the foregoing remarks, Applicants submit that all of the claims are distinguishable over the prior art of record and are now in condition for allowance. The Examiner is respectfully requested to pass the above application to issue. The Examiner is invited to contact the undersigned at the telephone number listed below, if needed. Applicant hereby makes a written conditional petition for extension of time, if required. Please charge any deficiencies in fees and credit any overpayment of fees to Attorney's Deposit Account No. 23-1951.

Respectfully submitted,



Jonathan D. Link
Registration No. 41,548

Date: May 7, 2007

McGuireWoods, LLP
1750 Tysons Boulevard, Suite 1800
McLean, VA 22102
Phone: (703) 712-5341
Facsimile: (703) 712-5279